

REPORT OF THE 2001 SALARY SETTING SESSION



**WASHINGTON CITIZENS'
COMMISSION ON SALARIES FOR
ELECTED OFFICIALS**

JUNE 2001

Washington Citizens' Commission on Salaries for Elected Officials

Mission

To attract citizens of the highest quality to public service by basing the salaries of elected officials on realistic standards and paying them according to the duties of their office.

Vision

To provide our shareholders, the citizens of Washington and their elected state officials, with the most efficient and effective salary setting process possible.

Values

- *Commit to the highest professionalism, integrity, and ethical standards*
- *Provide quality services in an efficient and timely manner*
- *Provide open and effective communication*

***The citizens of Washington are welcome and encouraged to
participate in the salary setting process.***

Washington Citizens' Commission on Salaries for Elected Officials

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Introduction

This report is intended to provide interested parties and stakeholders with an overview of the work of the Washington Citizens' Commission on Salaries for Elected Officials in its 2001 salary setting session. Our stakeholders are the elected officials whose salaries are set and the public whose tax dollars support those salaries.

The Commission was created through the passage of House Joint Resolution 49, the 78th amendment to the Constitution, which was approved by the voters of the state on November 4, 1986. The measure removed the salary-setting function for the state's elected officials from the Legislature and vested it in an independent commission.

In anticipation of the approval of the constitutional amendment, the Legislature passed ESHB 1331 which established the Commission on January 1, 1987.

The Commission is charged with setting the salaries of:

- Executive Branch elected officials – Governor, Lieutenant Governor, Secretary of State, Treasurer, Auditor, Attorney General, Superintendent of Public Instruction, Commissioner of Public Lands, and the Insurance Commissioner.
- Members of the Legislature.
- Members of the Judicial Branch – Supreme Court Justices and judges of the court of appeals, superior courts, and district courts.

Legal Authority

Legal authority for the Commission's operation is found in Article 28 of the Washington State Constitution and RCW 43.03.300 to 43.03.310.

Article 28 of the Constitution

Salaries for members of the legislature, elected officials of the executive branch of state government, and judges of the state's supreme court, court of appeals, superior courts, and district courts shall be fixed by an independent commission created and directed by law to that purpose.

RCW 43.03.300

...declares it to be the policy of this state to base salaries of elected state officials on realistic standards in order that such officials may be paid according to the duties of their offices and so that citizens of the highest quality may be attracted to public service.

RCW 43.03.305

There is created a commission to be known as the Washington citizens' commission on salaries for elected officials, to consist of 16 members appointed by the governor...

RCW 43.03.310

...the commission...shall study the relationship of salaries to the duties of members of the legislature, all elected officials of the executive branch of state government, and all judges of the supreme court, court of appeals, superior courts, and district courts, and shall fix the salary for each respective position.

The Appointment Process

The Commission consists of 16 unpaid, citizen members who are selected by two methods:

- Nine are randomly drawn by the Secretary of State from the rolls of registered voters, one from each congressional district.
- Seven are selected jointly by the President of the Senate and the Speaker(s) of the House of Representatives: one each from private institutions of higher education, business, professional personnel management, the law, and organized labor; two are recommended for appointment, one by the chair of the State Personnel Resources Board and the other by the presidents of the state's four-year institutions of higher education.

Statute requires that commissioners:

- Reside in the state.
- May not be or have an immediate family member who is a state official, public employee, or lobbyist. Immediate family is defined as parents, spouse, siblings, children, or dependent relatives regardless of whether they reside in the appointee's household.
- The seven legislative appointees must have personnel management experience.

Commissioners are appointed to four-year terms and no one may be appointed to more than two terms. From its inception through the term of the current Commission, all members' terms began and ended on the same day, resulting in the possibility of a total turnover of members every four years.

Legislation (HB 1413) was enacted in 1999 to stagger members' terms and move the appointment date from February 15th of an odd-numbered year to July 1st of the preceding even-numbered year. Beginning on July 1, 2002, eight members will be appointed every four years. This legislation will provide much needed continuity of membership as well as sufficient time for new member orientation and training.

Commission Members

Members of the current Commission were appointed on February 15, 1999 and were serving the second half of their four-year term during the 2001 session. The legislation described above changed the ending date of their appointment from February 15, 2003 to July 1, 2002. Four members are in their second term.

Current commissioners are:

Name	Area of State Represented	Term 1999-2002
Elizabeth Barene	6 th Congressional District	First term
Sue Byington	State personnel Resources Board	First term
Robert Bryant*	9 th Congressional District	First term
Sandra Kelley	1 st Congressional District	First term
Gail Kogle	5 th Congressional District	First term
Michelle Manis	7 th Congressional District	First term
Mike McKay, Vice Chair	The Law	Second term
Micheal Molloy	8 th Congressional District	First term
Fred Owen	Personnel Management	Second term
Norma Petermann	4 th Congressional District	First term
CharlesRyan	Business	First term
Zora Saunders**	3 rd Congressional District	First term
Dr. E. Arthur Self, Chair	Private Higher Education	Second term
Clifford Smalley	2 nd Congressional District	First term
Dr. John Terrey	Public Higher Education	Second term
Bob Watrous	Organized Labor	First term

* Mr. Bryant replaced Keith Esborg who passed away in April 2000.

**Ms. Saunders replaced Esther Irzyk who resigned for health reasons in October 2000.

Three commissioners are eligible for reappointment to a second term: Ms. Byington, Mr. Ryan, and Mr. Watrous. To serve a second term, an appointee from the congressional side would have to have his or her name randomly drawn a second time by the Secretary of State's office, an unlikely occurrence.

The Salary Setting Process

The laws governing the salary setting process are very specific. The Commission is directed to adopt a proposed salary schedule and then hold no fewer than four public hearings on its proposal. At the last public hearing, a final salary schedule must be adopted and filed in bill form with the Secretary of State no later than the first Monday in June. The salary schedule becomes law 90 days after filing unless overturned by voter referendum.

The Commission is directed to attract citizens of the highest quality to public service by:

- Establishing proper salaries for the elected officials;
- Basing those salaries on realistic standards; and
- Paying the elected officials according to the duties of their office.

The 2001 Salary Setting Session

During the 1999 salary setting session, adjustments were made to individual executive branch positions to rectify inequities. In addition, overall adjustments were made to catch the elected officials' salaries up to the increases received by state employees from 1994 to 1999. The rationale was to make appropriate annual adjustments to avoid future large keep-up increases.

The 2001 Commission continued the work it began in the 1999 session, considering adjustments to positions where inequities continue to exist as well as cost-of-living adjustments to maintain existing salary levels. Concerns with respect to judicial salaries were heard in both the 1999 and 2001 salary setting sessions.

The Commission is required to publish its meeting dates in the December edition of the *Washington Register*. An organizational and business meeting was held in Sea-Tac on November 9, 2000 to set the meeting dates, times, and places for the 2001 salary setting session. Of the six meetings, three were scheduled in areas not previously visited (Silverdale, Kelso, and Port Angeles).

Six public hearings, each followed by a work session, were held:

January 24	Olympia
February 13	Silverdale
March 15	Kelso
April 10	Port Angeles
April 24	Richland
May 18	Sea-Tac

The meetings were well publicized and the public was invited to attend and present their views. Those citizens who could not attend the meetings were encouraged to make their views known via mail, phone, fax, or e-mail. Information was also available through the Commission's web site at www.salaries.wa.gov with direct links to staff for ease of public access.

Prior to each meeting staff contacted local and state news media; area chambers of commerce and business organizations; civic, service, political, and other organizations; as well as interested individuals. In spite of these efforts, attendance at meetings was small as were the number of individuals who provided input outside of the meeting forum.

At its organizational and business meeting in November 2000, Dr. E. Arthur Self was re-elected Chair and Mike McKay was re-elected Vice Chair; their terms of office to run to the end of their appointment.

During its 2001 session, commissioners considered and adopted a proposal to establish an Executive Committee. The committee will provide guidance and oversight on administrative and operational matters to the Executive Director during the interim between salary setting sessions. The four members elected to the Executive Committee are:

- Dr. E. Arthur Self, Chair
- Mike McKay, Vice Chair
- Gail Kogle, 5th Congressional District
- Micheal Molloy, 8th Congressional District

At the public hearing held on January 24, 2001 in the Department of General Administration Auditorium in Olympia, the Commission adopted a proposed salary schedule as required by statute. The proposed salary schedule provided a 2.3% cost-of-living increase effective September 1, 2001 and 2.3% on September 1, 2002. The proposal was based upon the August 2000 Implicit Price Deflator (IPD) for 2001 and 2002 from the *Preliminary November Economic Forecast* prepared by the Washington State Office of the Forecast Council.

Factors Considered in the Salary Setting Process

In addition to public comment and testimony, commissioners considered many factors and much data in their decision-making process. Some of these items are listed below:

- The November 2000 and March 2001 economic forecasts from the Office of the Forecast Council and a presentation by Dr. Chang Mook Sohn, Executive Director of the Forecast Council at the Commission's May 18th meeting.
- The benefits package for elected officials and public employees.
- The House, Senate, and Governor Locke's budget proposals for salary increases for state employees and teachers in 2001 and 2002.
- Salary history for the elected officials from 1987 to 2000.
- Reports and studies on Washington's economy, revenue and expenditures, wage and salary trends, etc., from the web sites of the Office of Financial Management and the Department of Revenue.
- Position descriptions for the Executive Branch elected officials utilizing a standardized format and identifying those duties and responsibilities required by law.
- Comparison data from the Council of State Governments' *2000-01 Book of the States* of like executive branch positions in the other states, both in duties and salaries.

- A telephone survey conducted by Commission staff of the current (2001) salary of each state's governor.
- Total compensation for the Lieutenant Governor including the legislative per diem allowance and service as Governor.
- Positions in the elected officials' offices with salaries higher than the elected official. The Executive Branch officials were asked to submit current salary information for the top five positions in their respective offices.
- Comparison data with applicable public positions or organizations in the State of Washington. For example, for the position of Superintendent of Public Instruction commissioners received information showing the salaries of the presidents of the community and technical colleges, the presidents of the four-year public universities and colleges, and the superintendents of the state's school districts.
- The salaries of the appointed agency heads (directors) set by the State Committee on Agency Officials' Salaries.
- Information and testimony from members of the judiciary as well as a meeting with Supreme Court Justice Barbara Madsen and Mary McQueen, Administrator for the Courts.
- A comparison of judicial salaries from the Council of State Governments' 2000-01 *Book of the States* and an October 2000 report, *National Comparison of State Court Judicial Salaries*, by the Office of the Administrator for the Courts.
- A comparison of legislative salaries, per diem, and other allowances in the United States from a report by the National Conference of State Legislatures. Comparison data was also taken from the Council of State Governments' 2000-01 *Book of the States*.
- A meeting with Co-Speakers Ballard and Chopp, Representative Lynn Kessler, and Co-Chief Clerks Tim Martin and Cindy Zehnder.
- Information from legislative leaders regarding comparable leadership positions in the House and Senate.

2001-02 Elected Officials' Salary Schedule

The following salary schedule was adopted at an open public meeting on May 18, 2001 at the Wyndham Hotel in Sea-Tac.

Position	Effective 9/1/2001	Effective 9/1/2002
<i>Executive Branch</i>		
Governor	139,087	142,286
Lieutenant Governor	72,705	74,377
Secretary of State	89,001	91,048
Treasurer	97,466	99,708
Auditor	97,466	99,708
Attorney General	126,443	129,351
Superintendent of Public Instruction	99,462	101,750
Commissioner of Public Lands	99,462	101,750
Insurance Commissioner	90,617	92,702
<i>Judicial Branch *</i>		
Supreme Court Justices	131,558	134,584
Court of Appeals Judges	125,236	128,116
Superior Court Judges	119,230	121,972
District Court Judges	113,524	116,135
<i>Legislative Branch</i>		
Legislators	32,801	33,556
Speaker of the House	40,801	41,556
Senate Majority Leader	40,801	41,556
House Minority Leader	36,801	37,556
Senate Minority Leader	36,801	37,556

* Superior court judges' salaries are funded 50/50 by the state and the county in which the court is located. District court judges' salaries are totally funded by the county in which the court is located.

Notes:

- Commissioners heard testimony from several county auditors relative to the importance of the role of the Secretary of State in the local election process. The increase in base salary for the position of Secretary of State was an equity adjustment to better align the salary of that position with the salaries of the other executive branch elected officials.
- Members of the judicial branch were granted a \$5,000 increase in base salary. This increase was motivated by concern that good judges were leaving the bench to work in private mediation and arbitration firms and to send a message about the importance of the judiciary.
- The position of Senate Majority Leader was aligned with the position of Speaker of the House. The stipend for leadership duties was increased from \$4,000 to \$8,000 per year.

- A 2.3% cost-of-living adjustment (COLA) for all positions was made for 2001 and 2002. Commissioners concluded that the Implicit Price Deflator (IPD) data from the March 2001 forecast had not significantly changed from the November 2000 forecast which was used as the basis for the 2001-02 Proposed Salary Schedule.
- The 2.3% COLA for both years for legislative leadership positions was on their base legislator salary. The annual leadership stipend was a flat amount on top of the base legislator pay.

Adoption of Washington Administrative Code (WACs)

The important and much needed task of adopting operating rules was accomplished during the Commission's 2001 salary setting session. The Commission held public hearings on April 10th in Port Angeles and on May 18th in Sea-Tac on the proposed rules to implement the Public Disclosure Act and the Open Public Meetings Act. The Commission adopted WAC 183-04, Public Records, and 183-06, Public Hearing Procedures at the May 18th meeting. The rules take effect June 23, 2001, 30 days after adoption.